

From: John Blake
To: Chuck Semborski
Date: 3/10/2005 10:46:58 AM
Subject: Mill Fork Exploration Plan 2005

Chuck,

Thank you for submitting a notice of intent to conduct exploration drilling upon the Mill Fork coal lease in 2005. The proposed drilling will occur upon SITLA coal lands currently leased under #ML 48258 to PacifiCorp. Energy West Mining Company will conduct the project as a designated operator by the Lessee.

The Trust Lands Administration endorses the 2005 exploration plan submitted by Energy West, as proposed. We believe that the proposed drill holes are essential in providing critical information on the coal resource in order to further develop the mine plan and achieve maximum economic recovery. I look forward to receiving a copy of the exploration results at the conclusion of 2005.

Please note that approvals are also needed from DOGM and from the surface management agency, the Manti-La Sal NF, before the 2005 proposed exploration drilling project may proceed. I understand that Energy West is in contact with these agencies in this matter. The Trust Lands Administration holds a \$50,000 reclamation bond from PacifiCorp for exploration drilling projects conducted under ML 48258.

Please contact me if you should have any questions. JB

CC: "creed01@fs.fed.us".MAIL.MNET; Pam Grubaugh-Littig; scott child